GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:579
ANSWERED ON:28.02.2008
PRODUCTION OF FERTILIZERS
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the total quantity of fertilizers produced in the country during the last three years; unit-wise;

(b) the subsidy sanctioned and given to the manufacturing units during the said period, unit-wise;

(c) the total quantity of fertilizers imported during the said period;

(d) the total demand, supply and consumption of fertilizers in the country during the said period state-wise;

(e) the estimated requirement of fertilizers during the year 2008-09; and

(f) the steps being taken to improve the production of fertilizers in the country to fully meet the domestic demand ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS AND MINISTER OF THE STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

(a) Statement indicating unit-wise production of major fertilizers in the country during the last three years is at Annexure-I.
(b) Details regarding unit-wise subsidy paid on production of indigenous urea and indigenous phosphatic and potassic fertilizers (P&K) fertilizers during the last three years are at Annexures II and III respectively.

(c) The total quantity of fertilizers imported during the last three years is as follows:

(Lakh MT)

Year	Urea	DAP	MOP
2004-05	6.41	6.44	34.09
2005-06	20.57	24.38	45.78
2006-07	47.19	28.75	34.48

(d) Statement indicating state-wise requirement, availability and sales of major fertilizers viz. Urea, DAP and MOP during the last three years are at Annexures IV, V and VI respectively.

(e) Working Group on the fertilizers industry for the Eleventh Plan had projected demand of 377.75 LMT for major fertilizers namely, Urea, DAP & MOP for the year 2008-09. Department of Agriculture and Cooperative (DAC) however, makes an assessment of the requirement of major fertilizers every season, in consultation with the State Governments. Based on the consultation of DAC with State Governments, requirement of major fertilizers for Kharif 2008 is estimated at 197.08 lakh MT.

(f) Government is working towards increasing the production of capacity of chemical fertilizers, chiefly urea during the Eleventh Plan period. This is sought to be done through revival of the currently closed units of Fertilizer Corporation of India Limited (FCIL) and Hindustan Fertilizer Corporation Limited (HFCL) as well as through establishment of new plants. These companies are in discussions with Gas companies for pipeline connectivity and availability of natural gas.

The Government is in the process of developing a new pricing policy for investment in urea sector in order to promote investment in urea sector and consequently to increase the indigenous production.